

Hyde ABC Board Meeting Minutes

Sept. 14, 2015

6:30 pm

Opening: All Board members present, Finance Office and General Manager present, Our Tec help: Public Information Officer Sarah Johnson, and Emergency Services Director Justin Gibbs.

Ethics Reminder: By Meredith

Prior Board Minutes: Adopted

Old Business:

- Swan Quarter door repair. The door was repaired by AAA Glass Service of Washington. The bill is \$495.00. Vicki would like for the Board to pay the bill. Board approved.
- Training for new Board member Johnny: Vicki sent out dates available for next online training. No other training is necessary at this time.

New Business:

- Johnny and Gary will be looking for a carpenter to put in a new countertop at the Ocracoke store during the fall Season. We will also need help in moving a Liquor shelf to the back of the store about 1 foot. This will open up the middle of store for entering and exiting the cash register area.
- **Distribution of Income to the County G.S. 18B-805e** Once the audit is complete we will determine if any money is owed based on computation of our profits. There is also some question about when this would be paid in if due. Semiannual or Annual payment.

Gary's Financial Report

Balance Sheet:

- Our Cash is up \$46,735 over prior year, while our Accounts Payable are only up \$11,240.71 and our Total Liabilities are only up \$2,274. This is a much, much stronger financial position than we have enjoyed in the past several years. The ratio of our cash to our current liabilities has improved from 97.34% to 149.37%.

Profit & Loss:

- Our sales for the month were down \$1,513 due to a drop in the Mixed Beverage Sales in Swan Quarter. Also affecting our sales was the fact that Labor Day fell in September this year. If our weather continues to be good, we can hope to see an increase in the September sales. On a YTD basis, our Sales are up \$17,746 which is very encouraging.
- Our Gross Profit also dropped slightly in August, but YTD is up \$7,446.
- Our expenses for the month were nearly identical to last year with only a small increase of \$498 in total. YTD our expenses are down \$952.

The first two months of the year have been very encouraging.

I also wanted to comment on the presentation Meredith made to the Commissioners showing our results over the past five years. There is lots that could be said, but I think the really remarkable thing is that between FYE 2013 and FYE 2015, our expenses dropped from \$189,637 (audited) to \$146,302 (unaudited) while our Sales increased by over \$66,000.

Between 2013 and 2015:

- Salaries and Wages have dropped from \$94,708 to \$78,583.
- Board Compensation has dropped from \$6,950 to \$5,100.
- Retirement Expense has dropped from \$16,235 to \$2,713.
- Professional Fees (Legal & Accounting) have dropped from \$18,975 to \$5,800.
- Telephone Expense has dropped from \$4,580 to \$3,209.
- Travel Expense has dropped from \$4,068 to \$200 and Delivery Expense has dropped from \$3,096 to \$780.
- Rent has dropped from \$9,305 to \$8,160.

We've come a long way in the matter of just two years, going from a 2013 Loss of \$40,546 (audited) to a profit of \$39,964 (unaudited). That's a turnaround of more than \$80,000.

Vicki's General Manager Report

- Both stores continue to run smoothly. All inventory is been accounted for. Our sales are down from the Swan Quarter store. Ocracoke sold about the same as last year even with the Labor Day weekend being in Sept. instead of August. Our inventory is accounted for and correct. All deposits are correct and double checked.
- The ferry stopped the early and late run today. This means I will work in Ocracoke fewer days in the months coming up until the ferry resumes its full schedule.

Meredith Board Chair report to County Commissioners:

“There appears to be some wild fluctuations within the five years of operations.” (See worksheet) We have about a 25% gross profit to operate the stores. While our ABC Stores will never be a large revenue source for the County, they should operate with a profit. The County Commissioners were appreciative of the efforts of the ABC Stores and staff in bringing the stores to a profit position in 2 years’ time.

Our next meeting will be Oct. 12.15 6:30 (rescheduled to Oct.19, 2015)

Meeting Adjourned. 6:55